

~~CONFIDENTIAL~~

Comptroller

13 May 1955

Chief, Fiscal Division

Adjustments of Billings

1. The Fiscal Division experiences a number of small deductions on vouchers processed for payment, which generally are caused by errors in computations, insufficient billing support, discrepancies between billings and receiving, etc.
2. The cost to the Government, in following the practice of deducting for errors of small amounts, is much greater than the saving realized. In many cases the deduction per invoice is less than one dollar (\$1.00), whereas, the cost of making the deduction could be figured as much as twenty-five dollars (\$25.00) or more. Also, such a practice in some instances causes poor public relations due to delays in the payment of invoices.
3. Accounting Systems Memorandum No. 9, Second Revision, Supplement No. 7, Revised, provides that adjustments of GSA billings resulting from over and under charges in amounts of \$5.00 or less for any one invoice are not required. It also recommends the adoption of a similar practice by Government Agencies.
4. An informal discussion on the above subject was held among Mr. Cashell, Mr. E. W. Bell, Associate Director of Audits, GAO, Mr. E.T. Chappell and Mr. J. B. Williams, CIA Site Auditors, GAO. It was unanimously agreed that such a practice, in the interest of eliminating adjustments in nominal amounts, be adopted by this Agency. Adjustments by the discrimination of the Auditor for any one invoice could be up to \$100.00 between Government Agencies and \$5.00 with other claimants. Also, verification of prepaid freight bills and express receipts should not be required where the amount of each invoice is \$10.00 or less.
5. In the interest of Agency efficiency, it is requested that this subject be considered and approved.

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Approved:

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Comptroller

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Date

JLC:bw

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CONTROL NO. 145	SEC. CLASS 10: COMPTROLLER	ORIGIN FROM: CHIEF,	FILE NO. FISCAL DIV.
DATE OF MAT. 13 May 55	DATE REC'D 19 May 55	DATE OF ROUTING	CROSS REFERENCE
SUBJECT  Adjustments of Billings  25X1A9a			ROUTING
			TIME OUT
			5/20/55
			5/23/55
DEFER ACTION UNTIL 25 May 55	ANSWERED	NO REPLY	COURIER NO.
FORM NO. FEB. 1952 35-1			FILE AND ROUTING SLIP (18-40)

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